



*THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES*

DIVISION OF HEALTH CARE FINANCE AND POLICY

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**ADMINISTRATIVE BULLETIN 04-04
NURSING FACILITY DIRECT CARE ADD-ON PAYMENTS**

This Administrative Bulletin clarifies the Direct Care Add-on Recovery rules specified in 114.2 CMR 6.06(2)(b). In addition, the Division has revised the due dates for the Compliance Worksheets.

1. Accruals paid out after June 30, 2004

To comply with the Direct Care Add-on provisions, nursing facilities may count toward compliance expenses related to salaries, benefits, payroll taxes, purchased service expenses, and workers compensation. To claim an expense on the Direct Care Add-on Schedule, the expense must be accrued for the period July 1, 2003 to June 30, 2004. Except for vacation, sick, personal, and other "time" benefits, accrued amounts for the period ending June 30, 2004 must be paid out by August 31, 2004. Accrued expenses paid out after this date will not be counted toward compliance with the Direct Care Add-on recovery rules.

If a facility has not recorded an accrual for the period ending June 30, 2004, it may not claim payments made after June 30, 2004 on the Direct Care Add-on schedules.

2. Filing Requirements & Revised Due Dates

The Division, through its INET Website, has developed an electronic Web-based application for facilities to file the Direct Care Add-on Worksheets via the Internet. This application will be available beginning July 15, 2004 on the Division's website, <http://www.mass.gov/dhcfp>.

To file electronically, facilities must be enrolled in INET and must register with the Division a specific person(s) who will be responsible for this filing and who will have access to INET for that purpose. Persons who currently file the Nursing Home User Fee via INET will not automatically be able to file the Direct Care Add-on Schedules without contacting the Division. If your facility has not registered for INET, or has not registered a filer for this specific filing, please contact Ms. Eileen Scott (617) 988-3124 for instructions on how to proceed.

Facilities that file electronically through INET will have a due date of **August 31, 2004**.

Facilities that choose to file paper worksheets must file with the Division by **August 16, 2004**.

The Division will apply penalties to late filers in accordance with the provisions of 114.2 CMR 6.00: Standard Payments to Nursing Facilities.

If you have questions regarding the content of the worksheet, please call the Division's Provider Assistance line. (617) 988-3299. If you would like to enroll in INET, please call Ms. Eileen Scott at (617) 988-3124.